

**NEW ISSUE - BOOK ENTRY ONLY  
BANK QUALIFIED**

**NOT RATED**

*In the opinion of Grimshaw & Harring, P.C., Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the Bonds is not included in gross income under present federal income tax laws; interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax; and interest on the Bonds is not included in taxable income or Colorado alternative minimum taxable income under present Colorado income tax laws. For a more complete description of such opinion of Bond Counsel and a description of certain provisions of the Internal Revenue Code of 1986, as amended (the "Code"), which may affect the federal or Colorado tax treatment of interest on the Bonds for certain owners of the Bonds, see "TAX MATTERS." The Bonds have been designated by the District as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. See "FINANCIAL INSTITUTION INTEREST DEDUCTION."*

**\$1,500,000**  
**ALPENSEE WATER DISTRICT**  
**Summit County, Colorado**  
**GENERAL OBLIGATION LIMITED TAX BONDS, SERIES 2000**

**Dated: September 1, 2000**

**Due: December 15, 2030**

The Bonds are issued in fully registered book entry only form in denominations of \$500,000 each or any integral multiple of \$5,000 in excess thereof, and will be registered initially in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), to which payment of principal and interest on the Bonds is to be made. Purchasers of the Bonds will not receive physical delivery of bond certificates. Interest on the Bonds, at the rate set forth below, is payable semiannually on each June 15 and December 15, commencing December 15, 2000.

**Maturity Schedule**

**\$1,500,000 8.00% Term Bonds Due December 15, 2030 - Price 100%**

The Bonds are subject to redemption prior to maturity as described in "THE BONDS - Redemption Prior to Maturity."

The Bonds are issued for the purpose of financing (i) costs related to the acquisition and construction of certain public water system {facilities and} improvements, (ii) costs of organizing the District, (iii) capitalized interest on the Bonds and (iv) costs of issuing the Bonds. See "USE OF PROCEEDS."

***THE BONDS CONSTITUTE LIMITED TAX OBLIGATIONS OF THE DISTRICT PAYABLE AS TO PRINCIPAL AND INTEREST SOLELY FROM AND TO THE EXTENT OF THE PLEDGED REVENUE DESCRIBED HEREIN. THE BONDS CONSTITUTE AN IRREVOCABLE AND FIRST LIEN ON THE PLEDGED REVENUE, AS WELL AS AN IRREVOCABLE FIRST AND EXCLUSIVE PLEDGE OF THE IMPROVEMENT FEE REVENUE COMPONENT OF THE PLEDGED REVENUE AS DESCRIBED HEREIN. THE PLEDGED REVENUE MAY OR MAY NOT BE SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS, AND NO REPRESENTATION IS MADE BY THE DISTRICT OR THE EMPLOYEES, AGENTS OR ATTORNEYS FOR THE DISTRICT THAT THE PLEDGED REVENUE WILL BE SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS WHEN DUE. SEE "SECURITY FOR THE BONDS" AND "DISTRICT FINANCIAL INFORMATION."***

The Bonds are being offered and will be issued solely to financial institutions or institutional investors as discussed in "LIMITED OFFERING."

This cover page contains certain information for quick reference only. It is not a summary of the issue. Prospective investors should read this Official Statement in its entirety, giving particular attention to the section captioned "RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS," in order to obtain information essential to the making of an informed investment decision.

The Bonds are offered when, as and if issued by the District and accepted by the Underwriter, subject to the approval of validity and certain other matters by Grimshaw & Harring, P.C., Denver, Colorado, as Bond Counsel, and certain other conditions. Becker Stowe & Bieber LLC, Denver, Colorado, is serving as special counsel to the District in connection with the preparation of this Official Statement. It is expected that the Bonds will be available for delivery through the facilities of DTC on or about September 1, 2000.

**American Fronteer Financial Corporation**

This Official Statement is dated August 31, 2000.